

Mississippi Secretary of State
700 North Street P. O. Box 136, Jackson, MS 39205-0136

ADMINISTRATIVE PROCEDURES NOTICE FILING

AGENCY NAME Mississippi State Oil & Gas Board		CONTACT PERSON Howard O. Leach	TELEPHONE NUMBER 1-601-576-4921	
ADDRESS 500 Greymont Avenue – Suite E		CITY Jackson	STATE MS	ZIP 39202
EMAIL hleach@ogb.state.ms.us	SUBMIT DATE 02/11/15	26 Mississippi Administrative Code, Pt. II, R. 1.6 ("Well Signage – Identification of Well and Restrictions to Access")		

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal:

Amend existing Statewide Rule 1.6 to prescribe additional marking or signage requirements for flowlines. MCA Sec. 53-1-17(3) (1972)

List all rules repealed, amended, or suspended by the proposed rule: 26 Miss. Administrative Code, Pt. II, R. 1.6 ("Well Signage")

ORAL PROCEEDING:

☒ An oral proceeding is scheduled for this rule on Date: March 18, 2015 Time: 10:00 o'clock, A. M. Place: Hearing Room, Miss. State Oil & Gas Board, 500 Greymont Avenue, Suite E, Jackson, Mississippi

☐ Presently, an oral proceeding is not scheduled on this rule.

If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

ECONOMIC IMPACT STATEMENT:

☐ Economic impact statement not required for this rule. ☒ Concise summary of economic impact statement attached.

TEMPORARY RULES	PROPOSED ACTION ON RULES	FINAL ACTION ON RULES
<input type="checkbox"/> Original filing <input type="checkbox"/> Renewal of effectiveness To be in effect in _____ days Effective date: <input type="checkbox"/> Immediately upon filing <input type="checkbox"/> Other (specify): _____	Action proposed: <input type="checkbox"/> New rule(s) <input checked="" type="checkbox"/> Amendment to existing rule(s) <input type="checkbox"/> Repeal of existing rule(s) <input type="checkbox"/> Adoption by reference Proposed final effective date: <input type="checkbox"/> 30 days after filing <input checked="" type="checkbox"/> Other (specify): _____ Effective 45 days after approval	Date Proposed Rule Filed: _____ Action taken: <input type="checkbox"/> Adopted with no changes in text <input type="checkbox"/> Adopted with changes <input type="checkbox"/> Adopted by reference <input type="checkbox"/> Withdrawn <input type="checkbox"/> Repeal adopted as proposed Effective date: <input type="checkbox"/> 30 days after filing <input type="checkbox"/> Other (specify): _____

Printed name and Title of person authorized to file rules: Howard O. Leach, Staff Attorney

Signature of person authorized to file rules: [Signature]

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FILED
FEB 11 2015
MISSISSIPPI
SECRETARY OF STATE

Accepted for filing by

#21021

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The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.



DELBERT HOSEMAN
Secretary of State

CONCISE SUMMARY OF ECONOMIC IMPACT STATEMENT

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. This is a Concise Summary of the Economic Impact Statement which must be filed with the Secretary of State's Office.

AGENCY NAME Mississippi State Oil & Gas Board	CONTACT PERSON Howard O. Leach (Staff Attorney)	TELEPHONE NUMBER (601) 576-4921
ADDRESS 500 Greymont Avenue – Suite E	CITY Jackson	STATE MS
EMAIL hleach@ogb.state.ms.us	ZIP 39202	DESCRIPTIVE TITLE OF PROPOSED RULE 26 Mississippi Administrative Code, Pt. II, R. 1.6 ("Well Signage – Identification of Well and Restrictions to Access")
Specific Legal Authority Authorizing the promulgation of Rule: MCA Sec. 53-1-17(3) (1972)	Reference to Rules repealed, amended or suspended by the Proposed Rule: 26 Miss. Administrative Code, Pt. II, R. 1.6 ("Well Signage")	

A. Estimated Costs and Benefits

1. Briefly summarize the benefits that may result from this regulation and who will benefit: The approval of the proposed amendments to Statewide Rule 1.6 will add new marking and signage requirements applicable to oil and gas and/or saltwater flow lines. These additional marking and signage requirements will accomplish several purposes. First, it will facilitate the ability of landowners, oilfield workers and oilfield contractors, and the public generally, to more readily identify the owners/operators of oilfield flowlines. Secondly, it will facilitate the ability of this agency's Field Inspectors and other regulatory enforcement personnel in carrying out their responsibilities by making it easier to locate such flowlines and to identify the persons who operate these flowlines. Finally, it will assist first-responders (fire, local law enforcement, emergency medical personnel, etc.) in the event they have to respond to fires, spills or other emergencies involving these flowlines by providing up-to-date contact information regarding the owners/operators of these facilities.
2. Briefly describe the need for the proposed rule: Statewide Rule 1.6 currently imposes marking and signage requirements on oil and gas wells, storage tanks, tank batteries, compressors, public and/or private roads and field or lease roads leading to or providing entry or access to well locations and related E&P facilities. Statewide Rule 1.6 currently imposes no similar marking or signage requirements on oilfield flow lines. The approval of these proposed amendments and revisions to Statewide Rule 1.6 will correct that deficiency.
3. Briefly describe the effect the proposed action will have on the public health, safety, and welfare: The public health, safety and welfare will be enhanced by the approval

of the proposed amendments. The installation of proper marking and signage on these flowlines will make it easier for first-responders to locate these flowlines and to identify the operators of these flowlines in the event of fires, explosions or other emergencies. In addition, these marking or signage requirements will provide first-responders with vital contact information regarding the operators in the event of emergencies.

4. Estimated Cost of implementing proposed action:

- a. To the agency
☐ Nothing ☒ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
- b. To other state or local government entities
☒ Nothing ☐ Minimal ☐ Moderate ☐ Substantial ☐ Excessive

5. Estimated Cost and/or economic benefit to all persons directly affected by the proposed rule:

- c. Cost:
☐ Nothing ☒ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
- d. Economic Benefit:
☐ Nothing ☒ Minimal ☐ Moderate ☐ Substantial ☐ Excessive

6. Estimated impact on small businesses:

☐ Nothing ☒ Minimal ☐ Moderate ☐ Substantial ☐ Excessive

- a. Estimate of the number of small businesses subject to the proposed regulation: 50-60
- b. Projected costs for small businesses to comply: The estimated costs to oil and gas operators to comply with these additional marking or signage requirements for flowlines will be minimal, probably less than \$1,000.00 in most cases. The added costs will be minimal when compared to the enhanced public safety which will result from these flow lines being properly marked and identified through an adequate signage program.
- c. Statement of probable effect on impacted small businesses: The approval of the proposed amendments will ultimately benefit oil and gas operators by properly identifying flow lines which they operate and providing first-responders with up-to-date contact information in the event of emergencies (fires, explosions, etc.)

7. The cost of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):

☐ substantially less than ☐ moderately less than ☐ minimally less than
☐ the same as ☒ minimally more than ☐ moderately more than
☐ substantially more than ☐ excessively more than

8. The benefit of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):

☐ substantially less than ☐ moderately less than ☐ minimally less than
☐ the same as ☐ minimally more than ☐ moderately more than
☒ substantially more than ☐ excessively more than

B. Reasonable Alternative Methods

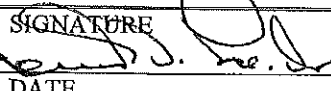
1. Other than adopting this rule, are there less costly or less intrusive methods for achieving the purpose of the proposed rule?
☐ yes X ☐ no
2. If yes, please briefly describe available, reasonable alternative(s) and the reasons for rejecting those alternatives in favor of the proposed rule. (Please see §25-43-4.104 for factors you must consider.) Not applicable

C. Data and Methodology

1. Please briefly describe the data and methodology you used in making the estimates required by this form. The estimates and conclusions set forth above are based upon the MSO&GB's extensive experience over the past eighty (80) years in serving as Mississippi's oil and gas conservation agency. During that period this agency has permitted and regulated the day-to-day operations of thousands of oil and gas wells and related E&P facilities in this state.

D. Public Notice

1. Where, when, and how may someone present their views on the proposed rule and request an oral proceeding on the proposed rule if one is not already scheduled? The MSO&GB will conduct a public hearing in these rule-making proceedings commencing at 10:00 o'clock, A. M. on March 18, 2015, in the Hearing Room of the MSO&GB located at 500 Greymont Avenue, Suite E, Jackson, Mississippi. In addition, written comments and/or formal docket contests may be filed with the agency up until 5:00 o'clock, P. M. on Tuesday, March 10, 2015.

SIGNATURE  Howard O. Leach	TITLE Staff Attorney (MSO&GB)
DATE February 11, 2015	PROPOSED EFFECTIVE DATE OF RULE 45 days following approval